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FRANZ S. LEICHTER  
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CC Docket No 96-98

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April 1, 1998

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

William Kennard  
Chairman  
Federal Communications Commission  
1919 M Street, NW, #814  
Washington, DC 20554

Joel I. Klien  
Assistant Attorney General  
Antitrust Division  
U.S. Department of Justice, #3109  
950 Pennsylvania Avenue, NW  
Washington, DC 20530

VIA TELEFAX

Dear Chairman Kennard and Mr. Klein:

Enclosed is a copy of a letter which several of my colleagues in the New York State Senate and I have sent to John O'Mara, Chairman of the New York Public Service Commission, regarding the issue of competition in the local telephone service market. Over seventy members of the New York State Assembly have signed a similar letter to Chairman O'Mara. I understand PSC's action may be imminent.

I know that, if Bell Atlantic is to enter into the long distance market, you must approve its entry based on several criteria set forth in the Telecommunications Act of 1996, including the provision of opportunities for competition in the local telephone service market. I have serious concerns about whether the plan being considered by the PSC accomplishes this, and I urge you to review it carefully. If it is presented to you in its current form, I ask you to reject it.

Best regards.

Sincerely,

Franz S. Leichter

FSL/wjz/mf

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ONE

William Kennard  
Joel I. Klien, AAG  
April 1, 1998  
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cc: John Nakahata, Chief of Staff, FCC  
FCC Commissioner Harold Furchtgott-Roth  
FCC Commissioner Susan Ness  
FCC Commissioner Michael Powell  
FCC Commissioner Gloria Tristani  
Richard Metzger, Chief, Common Carrier Bureau, FCC  
Philip J. Weiser, DOJ Senior Counsel

**NEW YORK**  
**STATE**  
**SENATE**

ALBANY, NEW YORK 12247



April 1, 1998

Honorable John O'Mara  
Chairman  
New York State Public Service Commission  
Empire State Plaza, Agency Bldg. 3  
Albany, NY 12223

Dear Chairman O'Mara:

We have just learned that a staff proposal thwarting local telephone competition has been presented to you, which you plan to adopt and recommend to the U.S. Department of Justice and the Federal Communications Commission. It is our firm belief that these recommendations will deny New Yorkers the opportunity to save billions of dollars by precluding competition among providers of local telephone service. For decades, New York Telephone Company--now Bell Atlantic--monopolized local telephone service in New York, providing poor service at high prices.

The U.S. Congress passed the Telecommunications Act of 1996, which guaranteed opportunities for competition in the provision of local telephone service. The Act requires that the five Regional Bell Operating Companies (RBOC's), including Bell Atlantic, provide competitors unlimited access to their local networks.

The Commission staff's proposal shows blatant disregard for the law and its intent by allowing potential competitors to use the RBOC network only for pitifully limited periods of time. By precluding full access to Bell Atlantic's local network, competition would be thwarted and New York would be forced to revert to the days of monopolistic telecommunications practices. To the New York consumer, this will mean fewer choices, higher prices, and inferior service.

What is particularly disturbing is the Commission may be rushing to a decision on the staff's recommendation without permitting sufficient time for comment by the public. We understand that opposition to the staff's recommendations have been filed by some long distance phone providers and Attorney General Vacco. We are certain that an examination of the staff's proposal and a public understanding of its implications will lead to a groundswell of opposition. Legislators, other public officials and the public must be given sufficient time to analyze and respond to a proposal of such importance, which may cost New York consumers billions of dollars in telephone fees.

Chairman John O'Mara  
March 25, 1998  
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New Yorkers and millions of consumers across this nation have experienced the benefits of competition in the long distance market. Since the break-up of the AT&T monopoly, the costs of long distance service have plummeted by a drastic 60 percent. Disturbingly, local telephone costs have increased during this same period and will continue to do so if your staff recommendations are adopted.

It is dismaying to think that New York--long a leader in consumer advocacy--could turn a blind eye to consumer needs. In addition, New York could, by this action, set a dangerous precedent for other states seeking federal approval for their plans. It would be truly disheartening if the Public Service Commission were, in the eleventh hour, to snuff out the opportunity for real competition in local phone services.

We urge you and the Commission not to act precipitously in this matter and not to take any action based on the staff recommendations, which could saddle New Yorkers with unreasonable and unjustifiable charges for local telephone service, without providing a full opportunity for public input.

We very much look forward to your prompt response.

Very truly yours,

Signators:

FRANZ S. LEICHTER

VINCENT J. GENTILE

SEYMOUR P. LACHMAN

OLGA A. MENDEZ

SUZI OPPENHEIMER

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